



Agenda Item Number: 2006-8-7A

BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

Meeting Date: August 9, 2006

Department: County Manager

Public Information Art Program

Contact: Sherri Olsen, PI Arts Coordinator

Liz Hamm, Public Information Manager

TITLE: Quality of Life Initiative Ordinance

ACTION: Motion to adopt Ordinance 2006- Quality of Life Initiative.

.SUMMARY:

On June 27, 2006 the Board of County Commissioners approved for publication the proposed Quality of Life Ordinance. Public Comment was received through the County Manager's Office, the County Clerk's office and directly to each County Commissioner.

On July 26, 2006 the Executive Committee of the Quality of Life Initiative formally requested a reduction of the proposed tax from $\frac{1}{4}$ of 1% to $\frac{3}{16}$ of 1% through letters submitted to each County Commissioner and the County Manager.

A Quality of Life Ordinance adopted at $\frac{1}{4}$ of 1% tax rate would generate about \$40 million. The ordinance adopted at $\frac{3}{16}$ of 1% would generate about \$30 million. The request submitted stated that the $\frac{3}{16}$ of 1% "more closely fits the needs of the organizations that stand to benefit from the Initiative."

If an Ordinance is adopted, as published or as amended, the Initiative would be placed on the November 7, 2006 General Election Ballot allowing voters to approve an increase in the Gross Receipts Tax dedicated to enhance and expand cultural, history, art and science programs throughout the county and make them more accessible to more people.

If approved by the voters, a Cultural Advisory Board consisting of people with knowledge of the cultural community would be appointed to advise the County Commission on the distribution of the funds. Every two years, the Cultural Advisory Board will put out Requests for Proposals to the arts and cultural organizations, evaluate responses, and develop a package of recommendations that will then be presented to the Board.

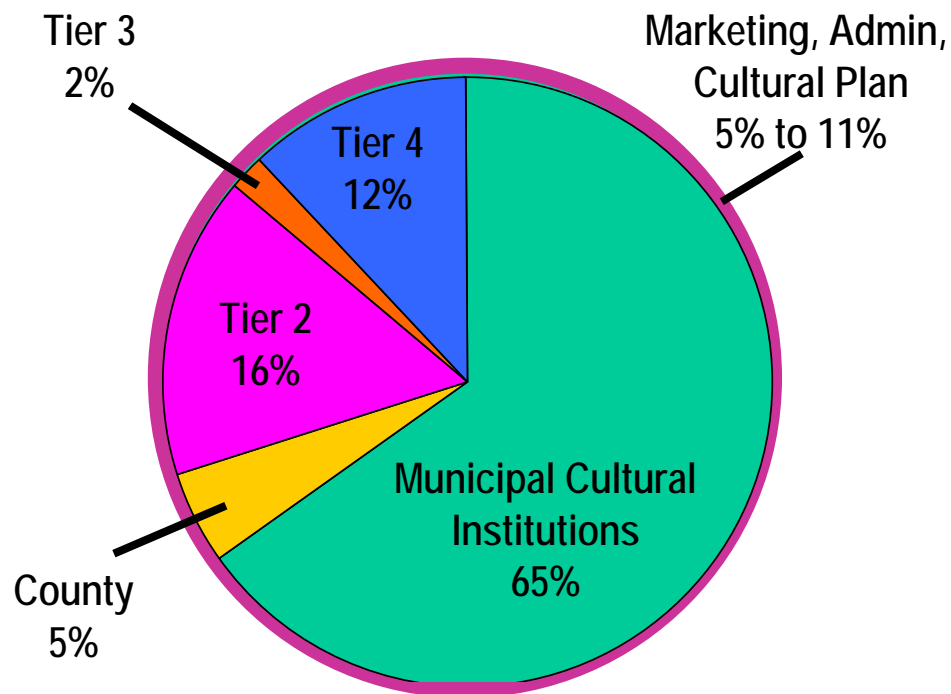
The state legislation that enabled this initiative is specific about how the money is to be distributed, and the proposed Bernalillo County ordinance reflects the law in both the letter and the spirit.

ATTACHMENT:

1. Ordinance 2006- Quality of Life Initiative Ordinance

FISCAL IMPACT

The Quality of Life Gross Receipts Tax would go into effect beginning July 1, 2007. The fund will still be distributed in the following percentages to the various eligible recipients.



STAFF ANALYSIS SUMMARY

COUNTY MANAGER

The Quality of Life Ordinance was published as approved during the month of July. The County received public comments, 22 in support; 1 opposed and 1 request for deferral. The Managers office also received a letter from the community organization that began the Initiative requesting the reduction in the tax percentage by one-sixteenth. The reduction in the rate would yield the amount of funds originally calculated for utilization by the cultural community.

If an amendment for the tax rate reduction is approved, and the Ordinance is adopted, the issue will go before the voters on the November 2006 General Election. If passed, a Resolution establishing the Bernalillo County Cultural Advisory Board would be presented to the Board for approval. Staff will evaluate and propose the organizational capacity needed to implement the tax distribution. State statute and the proposed ordinance provides for appropriate allocation for administrative costs for the implementation of the tax.

Legal has stated that the amended ordinance does not need to be published in order for the Ordinance to be legally adopted. I recommend approval of the amendment to reduce the tax rate to 3/16 percent and to approve the Quality of Life Ordinance. TL 7/29/2005

DEPUTY COUNTY MANAGER FOR BUDGET AND FINANCE

If the amendment for the tax rate reduction is approved, the tax burden will decrease by approximately \$10 million dollars per year for the effective period of the tax. Greg Stricklin, Acting Deputy County Manager for Budget and Finance 7/28/07

DEPUTY COUNTY MANAGER FOR COMMUNITY SERVICES

The ordinance specifically allocates 5% of the net revenues of the local option tax for county programs as well as between 5% - 11% for administration of the Initiative. A reduced rate would not adversely impact the county's proportion that would be utilized for county services, as 3/16 of a percent would still be an increase for providing services throughout County Community Services facilities. As previously stated, the funds can only be use for programming and not for capital expenditures. The Quality of Life Initiative would compliment the County Capital Improvement Program by providing operational funds for all of the existing Community Services facilities as well as for future facility expansions. In a time when existing operational costs have been cut in order to provide for a balanced budget for other mandatory services, a voter approved dedicated funding stream for cultural programming would clearly be a favorable message from the community that the county should continue to provide and expand such worthwhile programs.

LEGAL

Section 7-19D-14 NMSA provides the statutory authority for the proposed ordinance. All of the statutory prerequisites to adoption of an ordinance have been met. JSL 7/28/06

FINANCE

Purchasing	No comment required on approval of the ordinance. The Purchasing Department will provide oversight and assistance to the Cultural Advisory Board in the issuance of all procurements. Lisa Sedillo-White, Purchasing Director 06/15/06
Risk Management	Risk Management will assist determining if insurance is required after review of the scope of services for procurements. David A. Baca, Risk Management Administrator. 6/16/06